their judgment 'a life policy, originally valid, does not cease to be so by the cessation of the assured party's interest in the life insured' (Conn. Mutual Life Ins. Co. *v.* Schaefer, supra).

"And it has been held in many other cases that a divorce did not affect the wife's interest in a policy of insurance issued to her on the life of her husband (Overhiser *v.* Mutual L. Ins. Co., 63 Ohio St. 77, 57 N. E. 965, as reported in 50 L. R. A. 552, 81 Am. St. Rep. 612, and cases collected in note).

"The exact question before us was present in Keckley *v.* Coshocton Glass Co. (86 Ohio St. 213), and the Supreme Court of Ohio held that, although the connection of the assured with the corporation had ceased before his death, the corporation was nevertheless entitled to collect the full amount of the policy, inasmuch as the policy was valid when issued and had been listed and used as an asset of the concern.

"We can see no difference in principle between the case before us and those cases in which the wife, holding a valid policy of insurance on the husband's life, obtained a divorce prior to the maturity of the policy.

"Moreover, the manufacturing company in this case is entitled to the full amount of the policy. This is true because a policy of life insurance is not now held to be a mere contract of indemnity, but is a contract to pay the beneficiary a certain sum of money in the event of death (25 Cyc., 702; 16 Am. & Eng. Enc. of Law, 2d Ed., 843, and see review of cases in Conn. Mutual L. Ins. Co. *v.* Schaefer, supra, and Keckley *v.* Coshocton Glass Co., supra)."

Insurance—Indemnity—Recovery of Expenditures When Insurer Fails to Defend.—In Western Indemnity Co. *v.* Walker-Smith Co., in the Court of Civil Appeals of Texas, 203 S. W. 93, it was held that where an indemnity company refused to defend a suit as specifically agreed in a separate paragraph of the policy, and insured had employed attorneys and others to defend, insured could recover obligations so incurred, although not yet paid, regardless of a no-action clause in the policy, providing that no action should lie against the insurer except to recover money actually expended, etc. On this point the court said:

"As already shown, appellant had, by the second clause of the contract or policy, unqualifiedly obligated and bound itself to defend the suits brought by Schroeder and Henry against appellee, and that appellant had failed and refused to defend said suits, as it had obligated itself to do. This being true, it was incumbent upon appellee, Walker-Smith Company, to incur attorney's fees for which it sued and recovered in this cause. Since appellee's suit against appellant was not one to recover money actually expended by it in satisfaction of a claim which resulted from injuries caused by reason of the ownership and use of said automobile truck, but

only to recover from appellant the amount of attorney's fees which it had necessarily incurred, because appellant had breached its contract, and for which appellee was liable, appellee was clearly entitled to recover, and it was not necessary that the fees sued for should be actually paid to enable it to recover; but when it established that it was obligated to pay said fees, and that the same were reasonable, the liability of appellant to repay the expenses necessarily incurred by appellee, because of the breach of the contract by appellant had arisen, and appellee's cause of action had accrued (Lowe *v.* Fidelity & Casualty Co., 170 N. C. 445, 87 S. E. 250; South Knoxville Brick Co. *v.* Surety Co., 126 Tenn. 402, 150 S. W. 92, Ann. Cas. 1913E, 107; Royal Indemnity Co. *v.* Schwartz, 172 S. W. 581).

"The so-called no-action clause of the policy relied upon by appellant as a defense to appellee's cause of action has no application to the issues involved in this cause. The contention of appellant reduced to its final analysis is that it was the intention of the contracting parties, at the time of making the contract, to contract that in the event appellant should breach its obligation to defend the suits, such as those filed by Schroeder and Henry, and in the event appellee was compelled to employ attorneys to make such defense, it should compel the attorneys so employed to sue it, to recover judgment for their fees in a court of last resort, and that after said judgment had become final and appellee had paid said judgment, and only then, and not until then, would appellant be liable for attorney's fees incurred by appellee by reason of appellant's refusal and failure to defend said suits. In other words, appellee must prosecute, or cause to be prosecuted, a suit against itself to final judgment in a court of last resort, and then pay such judgment before it could sue appellant for damages it had suffered by reason of appellant's breach of its agreement to defend against the suits of Schroeder and Henry. Such contention is wholly untenable, and cannot be sustained. In the case of South Knoxville Brick Co. *v.* Surety Co., above cited, where practically the same issues as involved in the present case were being discussed, the Supreme Court of Tennessee said:

" 'Assured could not have supposed that the company would breach its contract in the outset and occasion loss by refusing to assume responsibility for a suit based upon a claim covered by the policy. The company could not have intended, as a consequence of its own default, to make this default the occasion for the imposition of a new condition upon assured. The parties were not contracting with reference to an initial breach by either, and this condition evidently refers to losses under suits defended, as provided in the policy, by the company, and not to losses under suit for which the company repudiated its liability. This is the construction placed upon an identical condition in a similar policy by the Supreme Court of the United States, and its reasoning is so apt and conclusive we adopt it here as a satisfactory disposition of the contention here made.'

"In a similar case, Royal Indemnity Co. *v.* Schwartz (172 S. W. 581), the court said:

" 'The company having refused to defend, as it had obligated itself to do, it was incumbent upon Schwartz to conduct his own defense. Since the question of Schwartz's liability for the death of the child is no now in question, because he is not suing for the amount paid as damages, but only for attorney's fees for which he is liable, he is clearly entitled to recover, and it was not necessary that the fee be paid to enable him to recover, but when he established that he was obligated to pay, and that the fee is reasonable, the liability contemplated by the policy had arisen, and his cause of action accrued.' "

Libel and Slander—Charging Refusal to Pay Debts.—In Turner *v.* Brien, in the Supreme Court of Iowa, 167 N. W. 584, it was laid down, affirming a judgment for the plaintiff in an action for libel, that a publication that charges plaintiff with refusal to pay a debt and rating him as a poor credit risk, is libelous per se. It appeared that plaintiff, a laboring man, had traded with defendant, who was the proprietor of a grocery store. Plaintiff was refused further credit because of a dispute about a bill which he refused to pay. The record shows a clear dispute between the parties as to the amount due, and it was subsequently adjusted by payment of the lower amount, which plaintiff claimed was all he owed. "While this controversy was on the defendant caused to be published in a pamphlet issued by a certain trust book and credit company the following:

Turner John R., pkr., 802 e 23d.....37—$20.00

This was afterwards superseded by a bound volume, which was issued on the 24th day of November, 1915, and in the bound volume appeared:

John Turner. Watch, 802 23d Court.....MSR

The publication contained a key which explained the language used as follows:

M—Medium Pay. S—Slow Pay. R—Party reporting would require cash in future dealings.

"The figures '37' appearing in the first report before the figures '$20' indicates the party conveying the information to the credits company for publication, and his record shows that the person so indicated was the defendant in this suit. The explanation given by a witness who had knowledge of the internal workings of this credit company is that the report indicates that on the 23d day of February, 1915, the defendant reported that the plaintiff was indebted to him in the sum of $20. The letter 'R' indicates that the defendant reported that he would not extend further credit to the plaintiff; that he would require cash.

* * * * * * * * * * *

"Plaintiff claims that after these publications were made he was refused credit by various merchants; that said publications were